

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SJR 763

March 18, 2010

SUMMARY OF AMENDMENT (015436): Proposes to amend Article II, Section 28 of the Tennessee Constitution to prohibit the Legislature from levying a tax upon personal income or any tax measured by personal income, except that the Legislature may levy a tax upon incomes derived from stocks and bonds that are not taxed ad valorem. Prohibits the Legislature from levying any tax upon payroll or any tax measured by payroll, except nothing contained herein shall be construed as prohibiting any such tax in effect on January 1, 2010, or adjustment of such tax.

Proposes to amend Article XI, Section 9 of the Tennessee Constitution to specify that the Legislature shall not authorize any county, municipality, or other political subdivision of the state to tax incomes, payrolls, estates, or inheritances, or to impose any other tax not authorized by Sections 28 and 29 of Article II of this Constitution. The foregoing amendment shall be referred to the 107th General Assembly and this resolution proposing such amendment be published by the Secretary of State in accordance with Article XI, Section 3, of the Constitution of Tennessee by means of posting this resolution on the official Web sites of the Secretary of State and the General Assembly.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Not Significant

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

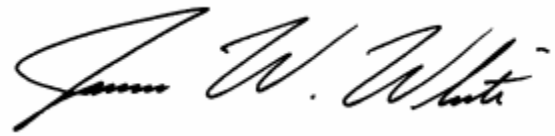
Assumptions applied to amendment:

- In *American Civil Liberties Union et al. v. Darnell et al.*, 195 S.W.3d 612, 626 n.12 (Tenn. 2006), the Tennessee Supreme Court noted without deciding the issue that: "The General Assembly has the authority to adopt a rule or enact a statute that defines the term 'published' used in Article XI, Section 3 or that specifies the means and manner of publication. When interpreting constitutional provisions, courts carefully consider any interpretation the General Assembly has given the provision." This note assumes that authorization by the General Assembly of electronic publication complies with the constitutional publication requirement.

- Posting this resolution on the official Web sites of the Secretary of State and the General Assembly will not increase state expenditures by a significant amount.
- Article XI, Section 3 of the Constitution requires publication of the resolution before the next legislative election. This publication would occur in the spring of 2010.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive, flowing style.

James W. White, Executive Director

/rct